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**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:

**Beloit Corporation Superfund Site
Rockton, Illinois**

PPC Investment Group, LLC

- and -

Paperchine, Inc.

CERCLA DOCKET NO. V-W-02-C-678

STIPULATION AGREEMENT

WHEREAS, the Beloit Corporation Superfund Site is generally located at 1165 Prairie Hill Road, Town of Rockton, Winnebago County, Illinois and was listed on the National Priorities List in August of 1990;

WHEREAS, Giuffre II, LLC purchased a 206.10 acre portion of the Beloit Corporation Superfund Site on December 10, 2002 (the "Giuffre Property");

WHEREAS, prior to Giuffre II, LLC purchasing the Giuffre Property, the United States Environmental Protection Agency (the "EPA"), the Illinois Environmental Protection Agency (the "IEPA"), and Giuffre II, LLC entered into a settlement agreement, dated February 16, 2002, (the "2002 Settlement Agreement") by which the parties agreed to settle and resolve, subject to the provisions set forth in the 2002 Settlement Agreement, Giuffre II, LLC's potential liability, which could have otherwise resulted from Giuffre II, LLC's purchase of the Giuffre Property;

WHEREAS, in Section 18(c) of the 2002 Settlement Agreement, EPA and IEPA covenanted not to sue or take any other civil action against any successor in interest or assign in the Giuffre Property for certain civil liability with respect to existing contamination at the Beloit Corporation Superfund Site provided that the following six conditions were satisfied:

(1) prior to the transfer or assignment, the "successor in interest and assign" was not and/or is not subject to potential liability under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and/or any other law for existing contamination at the Beloit Corporation Superfund Site and so certifies;

(2) prior to the transfer or assignment, the "successor in interest and assign" agrees to, duly executes and submits to the EPA an Agreement and Certification of Successor in Interest or Assign;

(3) prior to transfer or assignment, Giuffre II, LLC had satisfied its obligations under the 2002 Settlement Agreement;

(4) the "successor in interest and assign" did not and does not cause, contribute to or exacerbate the release or threat of release of hazardous substances, pollutants or contaminants in the soil or groundwater at the Beloit Corporation Superfund Site;

(5) the EPA and IEPA, and their duly authorized employees, contractors and representatives are granted voluntary and continued access to the property to operate and otherwise implement or oversee any response action; and

(6) the "successor in interest and assign" agrees to be bound by all applicable obligations, covenants, reservations, limitations and other conditions and requirements imposed on and/or agreed to by Giuffre II, LLC under the 2002 Settlement Agreement;

WHEREAS, Giuffre II, LLC sold a portion of the Giuffre Property to PPC Investment Group LLC by Special Warranty Deed, dated March 18, 2003, (the "PPC Property") which property is more fully described in Attachment 1 hereto;

WHEREAS, commencing on December 8, 2003, and continuing through the date of this Stipulation Agreement, PPC Investment Group LLC leased a portion of the PPC Property to Paperchine Inc. which leasehold is more fully described in Attachment 2 hereto;

WHEREAS, PPC Investment Group LLC seeks to benefit from the liability protections and covenants not to sue afforded under Section 18(c) of the 2002 Settlement Agreement and, to that end, submitted, on July 18, 2011, an executed Agreement and Certification of Successor in Interest or Assign (designated as "Exhibit 4" under the 2002 Settlement Agreement) to EPA, Region 5;

WHEREAS, Paperchine, Inc. seeks to benefit from the liability protections and covenants not to sue afforded under Section 18(c) of the 2002 Settlement Agreement and, to that end, submitted, on July 18, 2011, an executed Agreement and Certification of Successor in Interest or Assign (designated as "Exhibit 4" under the 2002 Settlement Agreement) to EPA, Region 5;

WHEREAS, in its respective Agreement and Certification of Successor In Interest or Assign, Paperchine Inc. and PPC Investment Group LLC have each individually certified to EPA, that Paperchine Inc. and PPC Investment Group LLC have satisfied all conditions required under Section 18(c) of the 2002 Agreement except for Paragraph 18(c)(2), which required them to have submitted an executed Agreement and Certification of Successor in Interest or Assign prior to the transfer or assignment of said interest (the "Prior to Transfer Condition");

WHEREAS, Paperchine Inc. and PPC Investment Group LLC each acknowledge that they failed to submit its respective Agreement and Certification of Successor in Interest or Assign to EPA prior to the 2003 purchase of the PPC Property by PPC Investment Group LLC, and prior to the 2003 lease of the PPC Property by Paperchine Inc.;

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Stipulation Agreement, EPA, PPC Investment Group LLC and Paperchine Inc. hereby agree as follows:

I. ACKNOWLEDGMENTS

- (1) EPA acknowledges receipt of the Agreements and Certifications of Successor in Interest or Assign submitted by PPC Investment Group LLC and Paperchine, Inc. on July 18, 2011, copies of which are attached hereto as Attachments 1 and 2 and are incorporated by reference.
- (2) EPA acknowledges and agrees that each of PPC Investment Group LLC and Paperchine Inc. are "Successors in Interest or Assign," as that term is defined in Section 9(t) of the 2002 Settlement Agreement.
- (3) EPA acknowledges and agrees that the March 18, 2003, purchase of the PPC Property by PPC Investment Group LLC is a "Transfer", as that term is defined in Section 9(u) of the 2002 Settlement Agreement.
- (4) EPA acknowledges and agrees that the December 8, 2003, lease of a portion of the PPC Property by Paperchine, Inc. is a "Transfer", as that term is defined in Section 9(u) of the 2002 Settlement Agreement.
- (5) EPA acknowledges and agrees that PPC Investment Group LLC and Paperchine, Inc. have certified, by their submittal on July 18, 2011, that both parties have satisfied the conditions set forth in Section 18(c) of the 2002 Settlement Agreement, with the exception of the Prior to Transfer Condition set forth at Paragraph 18(c)(2).

II. STIPULATIONS

- (1) As to PPC Investment Group LLC and Paperchine, Inc, EPA hereby waives the Prior to Transfer Condition contained in Paragraph 18(c)(2) of the 2002 Settlement Agreement, that a Successor in Interest or Assign submit an Agreement and Certification of Successor in Interest or Assign prior to transfer.
- (2) EPA agrees that, despite the lack of timely submission prior to transfer of an Agreement and Certification of Successor in Interest or Assign, PPC Investment Group and Paperchine, Inc. are each entitled to all of the protections and benefits, under Section 18(c) of the 2002 Settlement Agreement, including, but not limited to, all liability protections and covenants not to sue contained therein. These benefits and protections are subject to all other conditions, terms, reservations, or obligations set forth in the 2002 Settlement Agreement and/or Agreement and Certification of Successor in Interest or Assign.

IT IS SO AGREED:

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

BY: _____


Richard C. Karl, Director

DATE: _____

6/18/2013

for

Superfund Division

United States Environmental Protection Agency

Region 5

UNITED STATES DEPARTMENT OF JUSTICE

BY: _____

DATE: _____

[name]

[title]

United States Department of Justice

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

LISA BONNET, Director
Illinois Environmental Protection Agency

BY: 

JOHN J. KIM
Chief Legal Counsel

DATE: 5/30/13

PEOPLE OF THE STATE OF ILLINOIS
ex rel. LISA MADIGAN
Attorney General of the State of Illinois

MATHEW J. DUNN, Chief
ENVIRONMENTAL ENFORCEMENT
Asbestos Litigation Division

BY: 

ELIZABETH WALLACE, Chief
Environmental Bureau

DATE: 5/30/13

PPC INVESTMENT GROUP LLC

BY: Dennis Hays
[name] Dennis Hays
[title] Director
PPC Investment Group LLC

DATE: 9/8/11

PAPERCHINE INC.

BY: _____

[name]

[title]

Paperchine, Inc.

DATE: _____

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List of Attachments:

Attachment 1: Agreement and Certification of Successor in Interest or Assign, executed by PPC Investment Group LLC

Attachment 2: Agreement and Certification of Successor in Interest or Assign, executed by Paperchine, Inc.